

August 24, 2006

Mr. Les Boles, Director
Office of State Budget
State Budget and Control Board
1201 Main Street, Suite 870
Columbia, SC 29201

Dear Mr. Boles:

I am enclosing the requested ten (10) copies of the State Library's FY 08 budget request document. It includes:

Part I	Executive Summary
Part II	Budget Priority Requests (6 requests)
Part III	N/A
Part IV	N/A
	Addendum

Please let me know if you need additional information.

Sincerely,

Patti J. Butcher
Director

Enclosures

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name:

Section 17/ H87/ South Carolina State Library

B. Statewide Mission:

The State Library's mission is to provide, advance and promote excellent library services and equal access to information for all South Carolinians. As a vital educational resource for all citizens, the State Library's programs and services have the potential to impact all information seekers. Today's extremely high-tech, fast-paced information climate makes it critical that citizens have access to information that leads to informed decision-making. The State Library provides such, not only through direct delivery of services and resources (print and electronic), but also through indirect delivery of information through a well-established and complex partnership with public, K-12, and academic libraries across the state.

C. Summary Description of Strategic or Long-Term Goals:

(1) Provide information resources and services to meet the needs of the people of South Carolina.

The State Library seeks to:

- Assess the needs of state government, public libraries, virtual community, and Talking Book Services customers
- Analyze needs assessment results and develop strategies for improvements to services and programs for customer groups
- Strengthen and enhance DISCUS – South Carolina's Virtual Library – in response to user identified needs
- Serve as the principal agent to advise, guide and assist South Carolinians whose access to information is limited due to a disability, which prevents the use of standard library formats
- Serve as the principal agent to advise, guide and assist state government personnel and elected officials in their quests for information

[See FY 05-06 Accountability Report. Category 7 - Results]

(2) Ensure that all South Carolina citizens receive excellent library services through their public library.

The State Library seeks to:

- Provide statewide initiatives to support South Carolina public libraries;
- Facilitate a statewide study of public library building needs during next 20 years;
- Complete planning process for LSTA 5-year plan (2008-2012) for federal government;
- Provide technical assistance in planning for and management of library resources and services;
- Serve as the principal agent to advise, guide and assist public libraries in planning for and managing staff development and training;

- Collaborate with key stakeholders to support recruitment and retention of next generation of librarians in the state.

[See FY 05-06 Accountability Report, Category 7 - Results]

(3) Market the value of libraries to the educational and economic development of communities all across South Carolina.

The State Library seeks to:

- Work with partners to develop a long-term statewide marketing campaign promoting libraries as an integral component of the educational process and as a contributor to the economic development of the state;
- Promote statewide literacy programs and projects as an integral component of the state's educational process.

[See FY 05-06 Accountability Report, Category 7 - Results]

(4) Encourage partnerships that enhance statewide delivery of library and information services.

The State Library seeks to:

- Develop statewide resource sharing comprising union catalog and interlibrary loan of all public library collections;
- Develop statewide portal for online resources accessible by all citizens;
- Continually develop collaborative and partnership opportunities to ensure that libraries are included in complementary statewide initiatives.

[See FY 05-06 Accountability Report, Category 7 - Results]

(5) Continuously improve South Carolina State Library operations.

The State Library seeks to:

- Undertake a comprehensive strategic planning process for the agency;
- Assess and transform the agency's strategic development process;
- Increase the effectiveness of State Library operations;
- Develop an organizational performance review system;
- Build and maintain a work environment and employee support climate conducive to performance excellence and organizational growth;
- Assess staff continuing education needs;
- Develop strategies for evaluation of the effectiveness of agency funded education and training;
- Increase staff understanding of key HR processes;
- Develop assessment methods to determine employee well-being, satisfaction and motivation.

[See FY 05-06 Accountability Report, category 7 - Results]

D.

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: Full Funding for DISCUS	0	734,540	0	0	\$734,540	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): 1 Activity Number & Name: 870/ DISCUS										
Priority No. 2	Title: SConnects @ your library	0	500,000	0	0	\$500,000	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): 4 Activity Number & Name: 872 / Information Services										
Priority No.: 3	Title: Energy Surcharge Costs	147,000	0	0	0	\$147,000	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): 1 Activity Number & Name: 872/ Information Services										
Priority No.: 4	Title:Aid to County Libraries	0	1,875,635	0	0	1,875,635	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): 2 Activity Number & Name: 875/ Pass Through: Aid to County Libraries										
Priority No.: 5	Title: Aid to County Libraries	2,300,000	0	0	0	2,300,000	0	0	0	0.00

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Strategic Goal No. Referenced in <u>Item C Above (if applicable): 2</u> Activity Number & Name: 875 / Pass Through: Lottery Expenditure Account										
Priority No.: 6	Title: Public Library Construction Grants	13,250,000	0	0	0	13,250,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable): 2</u> Activity Number & Name: 875 / Pass Through: Public Library Construction Grants										
TOTAL OF ALL PRIORITIES		15,697,000	3,110,175	\$ 0	\$ 0	\$18,807,175	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ 12,762,043
Federal\$ 2,398,034
Other \$ 130,000

F. Efficiency Measures:

The State Library has a proud tradition of providing quality customer service. Agency activities are described in Category II.10 of the agency's Accountability Report at web site http://scstatelibrary.org/component/option,com_docman/task,cat_view/gid,209/Itemid,449/ .

Over sixty-four percent (64%) of the agency's state funded budget is appropriated to provide aid to public libraries, over seven percent (7%) is designated specifically for rents paid to the Office of General Services, nearly sixteen percent (16%) is allocated to purchase DISCUS databases annually, over ten percent (10%) is needed for salaries and fringe benefits, leaving **less than three percent (3%)** for ALL other agency operating expenses.

Ever cognizant that its actual operating budget is extremely inadequate, the State Library weighs each expenditure against how it impacts the agency's overall ability to meet its mission and goals. The agency partners with its Foundation, a tax-exempt entity, which fundraises to enable specific additional projects related to promoting literacy and reading across South Carolina.

The agency has three FTE vacancies that cannot be filled due to the current funding levels. Were it not for federal guidelines that allow the agency to fund, with federal dollars, specific programs and services that directly benefit the state's citizens, the State Library budget situation would be considerably less stable.

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

* If applicable

H. Number of Proviso Changes: 0

I. Signature/Agency Contacts/Telephone Numbers:

Patti J. Butcher
Director
734-8656

Retta R. Yandle
Director of Finance & Budget Operations
734-8667

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name:

B. Priority No.1 of 6

C. (1) Title: Full Funding of DISCUS Databases

(2) Summary Description: To ensure continuation of DISCUS as the premier information resource for the state

(3) Strategic Goal/Action Plan (*if applicable*):

Strategic Goal 1 (Provide information resources and services to meet the needs of the people of South Carolina)/

Agency proposes full support for DISCUS costs, including annual contract cost increases and additional resources. This is an existing service discussed in Category 7 of the FY 2005-2006 Accountability Report.

D. Budget Program Number and Name: Library Services / 30 00 00 00

E. Agency Activity Number and Name: 870/ DISCUS

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

Public libraries, K-12 school media centers, and academic libraries receive direct benefit from DISCUS – South Carolina’s Virtual Library, a \$2,379,618 program comprising sixteen percent (16%) of the agency’s budget, excluding salaries, training, promotional materials, and marketing.

License renewal costs for the 2006 calendar year totaled \$2,379,618. Should each library purchase access to DISCUS databases separately the total cost is estimated to be \$31,188,020. The cost avoidance for South Carolina libraries and schools is over **\$28 million** dollars.

Database upgrades included Literature Resource Center (Public libraries and K-12) and Gale Virtual Reference Library – 24 reference e-books. [PASCAL purchased access to the Literature Resource Center separately for academic use.]

South Carolina residents obtained nearly **7.4 million items** through DISCUS in the last fiscal year, a 12% increase over the previous year. K-12 students comprise 66% of DISCUS usage; public library and remote access users comprise 19% of users. Usage of DISCUS – South Carolina’s Virtual Library, has increased unabated in each year since its inception.

DISCUS is marketed through the State Library’s website, email, brochures, exhibits at conferences and school instructional fairs. Training is provided throughout the year, both onsite and online. The 2.5 FTE DISCUS staff members are supported with other agency funds. All DISCUS funds are dedicated toward the purchase of high-quality database resources.

The agency has no other funds available for this service. All DISCUS staff, training, marketing and promotion are funded with agency funds. No additional sources of funding are available.

“I just had to let you know how much I appreciate DISCUS in my elementary school media center. From the upper grades doing research to the younger children looking for animal pictures, it is the best resource I have to offer. **I don’t have to worry about the content;** I know it will be appropriate. My students come into the media center asking ‘Do we get to do DISCUS today?’ Thanks for providing such a great service to the people of South Carolina.”
[emphasis added]

Jennifer Burley, Bethel-Hanberry Elementary, Richland 2, Columbia, SC

“DISCUS is the only Internet ‘search’ we use.”

Erica Wright, Lake View Middle School, Lake View, SC

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services		\$734,540			\$734,540
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
Total	\$ 0	\$734,540	\$ 0	\$ 0	\$734,540
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

(3) Base Appropriation:

State	\$ 2,015,460
Federal	\$ 0
Other	\$ 0

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State ___ 18 ___
Federal ___ 7 ___
Other ___ 0 ___

Agency-wide Vacant FTEs as of July 31, 2006: ___ 6 ___

% Vacant ___ 12 ___ %

H. Other Comments:

A. Agency Section/Code/Name:

B. Priority No. 2 of 6

C. (1) Title: SConnects @ your library

(2) Summary Description: State supported funding of new statewide public library catalog and interlibrary loan service

(3) Strategic Goal/Action Plan (*if applicable*):

Strategic Goal 4 (Encourage partnerships that enhance statewide delivery of library and information services)/ Agency proposes to initiate statewide catalog and interlibrary loan among all public libraries. This is a NEW service.

D. Budget Program Number and Name: Library Services / 30 00 00 00

E. Agency Activity Number and Name: 872/ Information Services

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

South Carolina remains one of the only states in the nation that does not fully utilize resource sharing among all its public libraries, nor does it provide a method for citizens to easily find and request books and other materials needed. During the past year, the State Library began investigating options to address this statewide need, and to develop a program to implement it in partnership with all county libraries.

Currently, if an item is not available in a patron's local public library, the library may attempt to find it at another library. However, no simple method exists to identify another owning library. In addition, no statewide agreements, policies or procedures are in place to facilitate the process.

All county public libraries utilize up-to-date, web-accessible library automation systems, which include a catalog, circulation, and web modules. By overlaying an interface – utilizing current internet and library standards – it is possible to virtually connect all the disparate public library systems – in essence creating a South Carolina public library catalog.

Any library patron in South Carolina will be able to enter the statewide system through their local public library's website, search across all library holdings, identify the item they need, instantly place a request, and have the item delivered to their local library within a few days. South Carolina's public libraries own approximately 9 million items. While some unique reference and local history materials may not be able to be requested, individuals doing research may identify owning libraries and travel to use onsite.

The benefits of the proposed system include:

- Utilization of all library automation systems currently in use, regardless of vendor
- No additional hardware needed at the State Library – the system would be managed remotely by a vendor selected through an RFP process
- All system costs borne by the State Library
- Policies, procedures and agreements include input from all public libraries
- All public library card holders will have access to millions of resources – regardless of their location or their library's ability to purchase
- Utilization of the inter-agency mail system keeps the delivery cost of materials very low
- Public library staffs are able to continue using the library automation system they are most familiar with, as are their patrons
- Provides a higher level of service to South Carolina citizens than presently available
- Allows public libraries to focus their collection development on areas specifically needed by their local communities, while still allowing access to unique one-use-only materials available elsewhere in the state
- Smaller library systems will no longer require the high level of technical expertise currently needed to manage web catalog and other resources

It is estimated that startup costs for this statewide system will be \$750,000 - \$1,000,000. The State Library has designated a portion of its federal funds toward these costs. However, federal funds available will not be sufficient to allow implementation without the addition of state funds.

Resource sharing and interlibrary loan among public libraries has been a standard of service for nearly 30 years in most states. South Carolina currently ranks 49th in interlibrary loans per capita (only Hawaii falls below South Carolina's rate). The root cause of this is the unavailability of accurate, up-to-date information on library holdings that is easily accessible.

SConnects @ your library will support educational needs of students, lifelong learners, adults seeking to improve their job skills, and homeschoolers whose local public library is their main learning resource.

The system will capture all data automatically; reports on usage statewide will be used to gauge success.

The agency has designated its available federal funds for this project; however, available funds are not sufficient to purchase a system of this magnitude and complexity.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services		\$500,000			\$500,000
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
Total	\$ 0	\$500,000	\$ 0	\$ 0	\$500,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 500,000 (NEW) / 12,762,043 (Total agency appropriation)
 Federal \$
 Other \$

(4) Is this priority associated with a Capital Budget Priority? No_____ If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(2) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State ___18___

Federal ___7___

Other ___0___

Agency-wide Vacant FTEs as of July 31, 2006: ___6___

% Vacant ___12___%

H. Other Comments:

A. Agency Section/Code/Name:

B. Priority No. 3 of 6

- D. (1) Title: Energy Surcharge Costs
(2) Summary Description: To preserve State Library collections through environmental control
(3) Strategic Goal/Action Plan (*if applicable*):

Strategic Goal 1 (Provide information resources and services to meet the needs of the people of South Carolina) / Agency proposes to continue preservation of its collection for current and future users through careful regulation of temperature and humidity levels.

D. Budget Program Number and Name: Library Services/ 30 00 00 00

E. Agency Activity Number and Name: 872 / Information Services

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

The State Library has received a request for payment of \$73,500 in Energy Surcharges. These charges are incurred on an annual basis for heating and air conditioning of our two facilities during nights and weekends. Many state agencies are able to shut down HVAC during non-business hours (mainly nights and weekends). **We are requesting \$73,500 in Emergency Funding for FY 06-07 (current budget year),** and \$73,500 in our budget appropriation for FY 07-08.

The State Library is the main depository for South Carolina documents. In addition, we are a partial federal depository library. Our collection includes hundreds of thousands of microfilm rolls, over 300,000 print items, a number of rare books, and the largest collection of South Carolina materials in the state: over 1.3 million items total.

Our second facility houses hundreds of thousands of Talking Book (TBS) cassette tapes, which are provided by the National Library for the Blind for use by South Carolina citizens who are blind or visually impaired and unable to use normal print formats. Our Large Print book collection is used by Talking Book patrons and by other public libraries in the state. In addition, we have a small collection of Braille items produced for our patrons.

All these items – the state documents, microfilm, books, and the TBS tapes - are fragile and subject to changes in temperature and humidity. Temperature and humidity levels must be maintained in order for our collections to survive. Of greatest concern is mold and mildew, which affects all of the above types of materials.

South Carolina has invested millions of dollars over the years in these collections, and they are used by state government, legislators, libraries and individual citizens. **The actual value of the collection is nearly \$90 million,** using purchase prices or actual value (of rare items).

The State Library has implemented a monitoring system through Johnson Controls which has allowed us to slightly reduce our energy costs. However, it is not feasible to completely shut down the HVAC systems, especially from April – October when humidity levels are much higher.

If we are to maintain our collections for current users, and for use by future generations, we must ensure that environmental levels in our buildings allow materials to survive.

Funds available from our current operating budget do not allow us to pay these energy surcharges. The State Library operates on less than 3% of its state appropriation (\$358,653 in FY 06-07). This level of support does not allow us to pay these kind of charges without additional funding – if we are to meet our state-mandated responsibilities.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses	\$147,000				\$147,000
Total	\$147,000	\$ 0	\$ 0	\$ 0	\$147,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 278,915
Federal	\$ 389,106
Other	\$ 0

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(3) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 18

Federal 7

Other 0

Agency-wide Vacant FTEs as of July 31, 2006: 6

% Vacant 12 %

H. Other Comments:

A. Agency Section/Code/Name:

B. Priority No. 4 of 6

E. (1) Title: Aid to County Libraries

(2) Summary Description: To increase State Aid to County Libraries to \$2.50 per capita using the 2000 census.

(3) Strategic Goal/Action Plan *(if applicable)*:

Strategic Goal 2 (Ensure that all South Carolina citizens receive excellent library services through their public library) /

Agency proposes to increase the per capita State Aid support for county libraries, to address collection needs and staff salary levels.

D. Budget Program Number and Name: Library Development / 35 01 00 00

E. Agency Activity Number and Name: 875 /Pass Through

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

In FY 06, the State Library and its supporters were successful in securing a General Assembly increase in State Aid to County Libraries to \$2 per capita, returning to the level of support not available since 2000. During the period from 2000-2006, State Aid amounted to 85 cents per capita, and library services across the state suffered from this lack of support.

State Aid is used by public libraries throughout South Carolina to buy books and other materials. A number of counties supplement low library salaries with a portion of state funds, to retain trained staff and attract new workers.

The increase to \$2.50 is necessary to compensate for the continuous under-funding of library collections during the extended period of fiscal cuts. The 50 cents per person increase is specifically targeted for the purchase of library materials such as children's books, and to allow libraries to increase salaries slightly for library workers.

It should be noted that 50% of South Carolinians hold library cards, and that citizens made nearly 14 million visits to their local public libraries last year. Public libraries provide training, materials in multiple formats, programming for all ages, and for many South Carolinians provide the only access to online resources – including state government.

No other sources of funding are available for this priority.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
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Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds		\$1,875,635			\$1,875,635
Other Operating Expenses					\$ 0
Total	\$ 0	\$1,875,635	\$ 0	\$ 0	\$1,875,635
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

(3) Base Appropriation:

State \$ 8,189,638
Federal \$ 560,000
Other \$ 100,000

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(4) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0

(c) Employer Contributions					\$ 0
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	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 3
Federal 3
Other 0

Agency-wide Vacant FTEs as of July 31, 2006: 6

% Vacant 12 %

H. Other Comments:

A. Agency Section/Code/Name:

B. Priority No. 5 of 6

F. (1) Title: Aid to County Libraries

(2) Summary Description: To provide Education Lottery Funds to each County Library in the amount of \$50,000

(3) Strategic Goal/Action Plan (*if applicable*):

Strategic Goal 2 (Ensure that all South Carolina citizens receive excellent library services through their public library)/

Agency proposes Education Lottery Funds be granted to each county library in support of technology equipment and infrastructure.

D. Budget Program Number and Name: Library Development / 35 01 00 00

E. Agency Activity Number and Name: 875 /Pass Through

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

According to a recent economic impact study of South Carolina public libraries by the University of South Carolina, 28% of public library users said that public libraries introduced them to new technologies. The most recent state statistical summary indicated that in FY 05, SC public libraries had 2,670 Internet workstations used 7,211,531 times by citizens. Such public usage levels show clearly the need for more support for technological maintenance and improvements.

In addition, nearly half of South Carolina's citizens do not own a computer at home, and do not have Internet access in their home. Over 2 million of our state's citizens therefore depend on their local public library for everything from access to Medicaid information to research for school reports. Public libraries must continue their support of free Internet access, and of adequate workstations to meet local demand.

To support libraries' commitment to keeping South Carolinians "connected", libraries request \$2.3 million to provide \$50,000 in Education Lottery Funds to each county library. These funds will be used to purchase workstations, provide bandwidth to support additional machines, allow scanning of important and unique local historical documents and photographs, purchase access to electronic materials not available through DISCUS, and to keep their library technology infrastructure up-to-date.

No other sources of funding are available for this priority.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds	\$2,300,000				\$2,300,000

Other Operating Expenses					\$ 0
Total	\$2,300,000	\$ 0	\$ 0	\$ 0	\$2,300,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 8,189,638
Federal \$ 560,000
Other \$ 100,000

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(5) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	_____3_____
Federal	_____3_____
Other	_____0_____

Agency-wide Vacant FTEs as of July 31, 2006: _____6_____

% Vacant _____12_____%

H. Other Comments:

A. Agency Section/Code/Name:

B. Priority No. 6 of 6

G. (1) Title: Public Library Construction Program

(2) Summary Description: To provide construction funds to assist public libraries with needed building programs

(3) Strategic Goal/Action Plan (*if applicable*):

Strategic Goal 2 (Ensure that all South Carolina citizens receive excellent library services through their public library)/

Agency proposes a comprehensive library construction program to address current space and facility needs in county libraries.

D. Budget Program Number and Name: Library Development/ 35 01 00 00

E. Agency Activity Number and Name: 875 / Pass Through

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

South Carolina public library buildings are aging - in need of replacement, repair and renovation to meet growing demands. To meet this need, the South Carolina State Library, in coordination with the Association of Public Library Administrators, proposes a program to provide support for library construction projects in twelve (12) locations throughout the state.

Many buildings were constructed during the 1950s – 1980s, when federal funds were available nationwide for library construction. These buildings are now 25-50 years old, have not been well maintained (due to lack of county support), may not meet accessibility guidelines, and do not meet the needs of local communities.

The majority of South Carolina's public libraries are in small, rural communities which have suffered tremendous financial downturns during just the past five years. These communities need their public libraries now, more than ever, to provide resources for preschool learning and literacy, adult education, job training and job searching, educational support for local public and home schools, and research databases.

It is estimated that public libraries in South Carolina have a need for over 4 million square feet of space over the next 20 years to meet the projected population needs of our state by 2025. Using today's average library construction cost of \$150 per square foot, this investment totals \$619,850,625. This does not include land acquisition, architectural fees, furnishing, fixtures and equipment, or other contingency costs.

The \$13.25 million requested to begin addressing public library needs will support 12 separate projects in 12 counties identified as the most critical. All identified projects are in counties with a 10% or higher poverty rate (according to most recent figures). Funds will be provided to counties in support of local projects. In no case is the amount of funds requested even 50% of the local need for construction costs only. Counties and local communities must demonstrate their support for these projects by designating funds and providing support at the county level to complete building projects. In addition, local funding must be supplied to furnish, equip, and staff these libraries.

The two largest projects (Greenwood and York at approximately \$12 million each) will each receive \$2 million. Of the remaining 10 projects: 9 will receive \$1 million each; the Johnsonville branch in Florence county will receive \$250,000. Nine of the projects are for headquarters libraries in those counties; three are for branch libraries.

These specific 12 projects are:

Project Title	Type	Request	Poverty Rate
Abbeville Headquarters	New	\$ 1,000,000	13.7%
AHJ (Allendale Hampton Jasper) Headquarters	New	\$ 1,000,000	34.5%
Beaufort/ St. Helena Branch	New	\$ 1,000,000	10.7%
Clarendon/ Summerton Branch	New	\$ 1,000,000	23.1%
Fairfield Headquarters	Renovation/Addition	\$ 1,000,000	19.6%
Florence/ Johnsonville Branch	New	\$ 250,000	16.4%
Greenwood Headquarters	New	\$ 2,000,000	14.2%

Marion Headquarters	New	\$ 1,000,000	23.2%
Marlboro Headquarters	New	\$ 1,000,000	21.7%
Newberry Headquarters	New	\$ 1,000,000	17.0%
Union Headquarters	Renovation/Addition	\$ 1,000,000	14.3%
York Headquarters	New	\$ 2,000,000	10.0%

The project descriptions and costs are included at the end of this document as an Excel worksheet - for print version.

The project descriptions and costs are included as a separate Excel worksheet file – for electronic version.

No other sources of funding are available for this priority.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds	\$13,250,000				\$13,250,000
Other Operating Expenses					\$ 0
Total	\$13,250,000	\$ 0	\$ 0	\$ 0	\$13,250,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 8,189,638
Federal	\$ 560,000
Other	\$ 100,000

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(6) Justification for New FTEs

(a) Justification: n/a

(b) Future Impact on Operating Expenses or Facility Requirements: n/a

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	___3___
Federal	___3___
Other	___0___

Agency-wide Vacant FTEs as of July 31, 2006: ___6___

% Vacant ___12___%

H. Other Comments:

See attached Excel worksheet.

III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

NOT APPLICABLE

A. Agency Section/Code/Name:

B. Priority No. ____ of ____

C. Strategic Goal/Action Plan *(if applicable)*:

D. Project Name and Number *(if applicable)*:

E. Agency Activity Number and Name:

F. Description of Priority:

G. Detailed Justification for Funding

(1) Justification for Funding Priority:

(2)

Total Project Cost Estimates:	Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Total Project Cost*				\$ 0

* *If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: _____ Will this fiscal year require a partial or full year's operating funds? _____ If a partial year's funds are required, what portion of the year does it cover? _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs *(If Section H above represents a full year's operating funds, do not complete this section.)*

- (1) Will additional annual operating costs be absorbed into your existing budget? _____
 If not, will additional state funds be needed in the future? _____
 If state funds will not be needed in the future, explain the source(s) that will be used. _____

- (2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

A. Agency Section/Code/Name: Section 17/ H87/ South Carolina State Library

B. Agency Activity Number and Name:
867/ Administration
875/ Pass Through Aid to County Libraries

C. Explanation of Cost Savings Initiative:

867/ Administration: Rent Reduction—

Agency proposes a rent reduction of \$80,241 from current annual payment of \$881,058. Operating funds available to the agency equal less than 3% of the total state appropriation. This amount does not allow for a reduction of any kind if the State Library is to continue operations. [The 1500 Senate Street building was built in the 1960s with federal funds BY the State Library – and yet we pay rent on this building.]

875/ Pass Through Aid to County Libraries: State Aid Reduction –

Agency proposes a reduction in State Aid payments of \$175,000 to county libraries (retaining the minimum \$50,000 grant as required by Proviso). State Aid would be reduced from its current \$2.00 per capita to \$1.96 per capita. The net loss for counties would range from \$1,235 (Abbeville) to \$23,000 (Greenville).

Because State Aid constitutes nearly two-third of the agency's state appropriated funds, the agency proposes to reduce costs proportionately.

D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0

(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds	\$175,000			\$175,000
Other Operating Expenses	\$80,241			\$80,241
Total	\$255,241	\$ 0	\$ 0	\$255,241

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

Rent reduction costs will not impact the agency, as these are in essence “pass through” funds granted in the agency budget for the purpose of paying rent.

The impact of the State Aid reduction is more significant, as last year was the first full year that county libraries received the new \$2.00 per capita amount (since the 1990s). Libraries are only beginning the recovery process from years of underfunding. The loss of even a few thousand dollars in State Aid will have a ripple effect across all county library services and branch outlets.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Rent Reduction Activity Number & Name: 867/ Administration	\$80,241	0	0	\$80,241	0	0	0	0.00
Initiative Title: State Aid Reducton Activity Number & Name: 875/ Pass Through	\$175,000	0	0	\$175,000	0	0	0	0.00
Initiative Title: Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
TOTAL OF ALL INITIATIVES	\$255,241	\$ 0	\$ 0	\$255,241	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section 17/ H87/ South Carolina State Library
- B. Agency Activity Number and Name: 875/ Pass Through Aid to County Libraries
- C. Explanation of Lowest Priority Status:
- D.

While comprising 64% of the State Library's budget, the State Library retains no administrative costs or other portion of these funds to support this important activity. Five (5) State Library professional and managerial staff devote significant time and resources to administer State Aid to County Libraries.

State Aid to County Libraries IS a core activity of the State Library. However, short of eliminating any other core state-statute-mandated core activities, State Aid has been identified because of its internal (hidden) costs to the State Library.

- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	\$8,189,638	0	0	0	0	\$8,189,638
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$8,189,638	\$ 0	\$ 0	\$ 0	\$ 0	\$8,189,638

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

The impact of this reduction on County Libraries would be devastating, taking them from the current \$2.00 per capita in state funds to \$0.00 per capita. Libraries use these funds for everything from purchasing materials to running bookmobiles, storytimes for preschoolers, and Internet classes for all ages.

The citizens of South Carolina would feel the impact immediately in their communities in reduced services, resources, and access to online information.

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: 875/ Pass Through Aid to County Libraries	8,189,638	0	0	0	0	\$8,189,638	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
TOTAL OF LOWEST PRIORITIES	\$8,189,638	\$ 0	\$ 0	\$ 0	\$ 0	\$8,189,638	0.00

	Project Title	Type of Construction	Type of Outlet	Service population	Current Square Footage	Total Needed Sq. Ft.	Cost Estimate (bricks & mortar only)	Request for state funds	50% of project costs (for comparison)	Population
Abbeville	Abbeville County	New	HQ	13000	3000	16250	\$2,437,500	\$1,000,000	\$1,218,750	13000
AHJ	Allendale/AHJ Regional	New	HQ	25000	5500	31250	\$4,687,500	\$1,000,000	\$2,343,750	30000
Beaufort	St. Helena Branch	New	Branch	17637	1200	22046	\$3,306,938	\$1,000,000	\$1,653,469	18000
Clarendon	Summerton Branch	New	Branch	35000	N/A	43750	\$6,562,500	\$1,000,000	\$3,281,250	22000
Fairfield	Fairfield County	Renovation/Addition	HQ	18000	6000	22500	\$3,375,000	\$1,000,000	\$1,687,500	19000
Florence	Johnsonville	New	Branch	8000		10000	\$1,500,000	\$250,000	\$750,000	10000
Greenwood	Greenwood County	New	HQ	60875	19000	76094	\$11,414,063	\$2,000,000	\$5,707,031	140000

Marion	Marion County	New	HQ	15500	7392	19375	\$2,906,250	\$1,000,000	\$1,453,125	23
Marlboro	Marlboro County	New	HQ	12000	7916	15000	\$2,250,000	\$1,000,000	\$1,125,000	23
Newberry	Newberry County	New	HQ	25000	6190	31250	\$4,687,500	\$1,000,000	\$2,343,750	19
Union	Union County	Renovation/Addition	HQ	29900	8000	37375	\$5,606,250	\$1,000,000	\$2,803,125	19
York	York County	New	HQ	64500	33250	80625	\$12,093,750	\$2,000,000	\$6,046,875	19
TOTAL State Request								\$13,250,000		

	Project Title	Type of Construction	Type of Outlet	Service population	Total NeededSquare Footage 1.6	Cost Estimate (bricks & mortar only) \$150	\$0	\$0	\$0
Abbeville	Abbeville County	New	HQ	13000	20800	\$3,120,000	\$312,000	\$624,000	\$936,000
ABBE	New Ellenton	Renovation/Addition	Branch	5000	8000	\$1,200,000	\$120,000	\$240,000	\$360,000
AHJ	Allendale/AHJ								
Anderson	Regional	New	HQ	25000	40000	\$6,000,000	\$600,000	\$1,200,000	\$1,800,000
Beaufort									
Berkeley	St. Helena Branch	New	Branch	17637	28219	\$4,232,880	\$423,288	\$846,576	\$1,269,864
Calhoun									
Chapin									
Charleston									
Cherokee									
Chester	Chester County	Renvoation/Addition	HQ	20000	32000	\$4,800,000	\$480,000	\$960,000	\$1,440,000
Chesterfield	Jefferson	Renvoation/Addition	Branch	2000	3200	\$480,000	\$48,000	\$96,000	\$144,000
Clarendon	Summerton	New	Branch	35000	56000	\$8,400,000	\$840,000	\$1,680,000	\$2,520,000
Colleton									
Darlington									
Dillon									
Dorchester	Dorchester Road	New	Branch	61137	97819	\$14,672,880	\$1,467,288	\$2,934,576	\$4,401,864
Fairfield	Fairfield County	Renvoation/Addition	HQ	18000	28800	\$4,320,000	\$432,000	\$864,000	\$1,296,000
Florence	Johnsonville	New	Branch	8000	12800	\$1,920,000	\$192,000	\$384,000	\$576,000
Georgetown	Waccamaw Neck	Renovation/Addition	Branch	33300	53280	\$7,992,000	\$799,200	\$1,598,400	\$2,397,600
Greenville	Unnamed branch	New	Branch	19081	30530	\$4,579,440	\$457,944	\$915,888	\$1,373,832
Greenwood	Greenwood County	New	HQ	60875	97400	\$14,610,000	\$1,461,000	\$2,922,000	\$4,383,000
Horry	Carolina Forest	New	Branch	20000	32000	\$4,800,000	\$480,000	\$960,000	\$1,440,000
Kershaw	West Wateree	New	Branch	32500	52000	\$7,800,000	\$780,000	\$1,560,000	\$2,340,000
Lancaster	Indian Land	New	Branch	12000	19200	\$2,880,000	\$288,000	\$576,000	\$864,000
Laurens	Clinton	New	Branch	4500	7200	\$1,080,000	\$108,000	\$216,000	\$324,000
Lee									
Lexington									
McCormick									
Marion	Marion County	New	HQ	15500	24800	\$3,720,000	\$372,000	\$744,000	\$1,116,000
Marlboro	Marlboro County	New	HQ	12000	19200	\$2,880,000	\$288,000	\$576,000	\$864,000
Newberry	Newberry County	New	HQ	25000	40000	\$6,000,000	\$600,000	\$1,200,000	\$1,800,000

Oconee	Salem Branch	New	Branch	8500	13600	\$2,040,000	\$204,000	\$408,000	\$612,000
Orangeburg					0	\$0	\$0	\$0	\$0
Pickens					0	\$0	\$0	\$0	\$0
Richland	Sandhills Branch	New	Branch	40000	64000	\$9,600,000	\$960,000	\$1,920,000	\$2,880,000
Saluda	Saluda County	New	HQ		0	\$0	\$0	\$0	\$0
Spartanburg					0	\$0	\$0	\$0	\$0
Sumter					0	\$0	\$0	\$0	\$0
Union	Union County	Renovation/Addition	HQ	29900	47840	\$7,176,000	\$717,600	\$1,435,200	\$2,152,800
Williamsburg					0	\$0	\$0	\$0	\$0
York	York County	New	HQ	64500	103200	\$15,480,000	\$1,548,000	\$3,096,000	\$4,644,000